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تنمية القدرة الوطنية  
في إدارة  
مؤسسات الدولة

# Anti-Corruption

## Awareness Raising



- Agenda

- » Opening session 05:00 PM
- » Applied Ethics
- » General and Basic Definitions of corruption
- » The Causes and the Types of corruption
- » Who to Talk To
- » Inspectors General Concepts, Roles, Responsibilities and Powers Established Within the Offices of the Inspector General
- » Activities Not Compatible With IG Office's Activities
- » How to make the Iraqi Inspector General Office of Positive Influence
- » Code of Ethics
- » The end of the session 06:30PM





# Agenda for Today



- Work on Individual Awareness
- Discuss ways to improve our areas
- Learn the role of ourselves in the process



Not about finding corruption or pointing fingers



# Why are we here?



- Corruption is everywhere

Every part of government has some element of corruption, from education to oil to computers to HR





# Applied Ethics



Starting Points:

Religion

Values

Teachings

Examples

All show the path of “right and wrong”



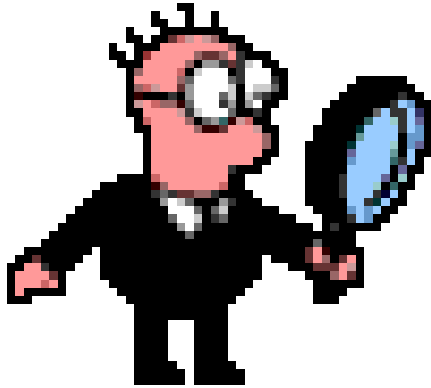
# What is Corruption?



- “The abuse of given authority for private gain”
- More than just “stealing and bribery”
- Public Corruption: The abuse of authority by a government person
- Private Corruption: Private citizens – a problem for Iraq, will focus more on the Government today



# Basic Definitions



Transparency is the quality of being clear, honest and open. As a principle, transparency implies that civil servants, managers and trustees have a duty to act visibly, predictably and understandably. Sufficient information must be available so that other agencies and the general public can assess whether the relevant procedures are followed, consonant with the given mandate.



- **Responsibility:**

The commitment of every employee to perform the tasks entrusted to him for the purpose of increasing the effectiveness of government institutions.

- **Accountability:**

Is the obligation to demonstrate and take responsibility for performance in light of agreed expectations. There is a difference between responsibility and accountability: responsibility is the obligation to act; accountability is the obligation to answer for an action.



# Causes of Corruption #1



- History

Leftover attitudes from a previous time

A centrally-planned government is more prone to corruption because one person or a small group makes all the decisions, often in secret



# Causes of Corruption #2



- Low Risk – High Reward  
Corruption exists on the individual level when there is a “low level of risk and a high level of reward”
- Without laws and systems in place to catch and punish criminals fairly
- When large amounts of money are present



# Causes of Corruption #3



- Corruption also happens when there is no competency and the decision is taken by a few decision-makers without any sets of rules or oversight.



# Discussion #1



- Apart from History and Opportunity, what other causes of corruption can you identify?



# Types of Corruption



- A. Grand Corruption
- B. Administrative Corruption
- C. Appearance of Corruption
- D. Criminal Corruption



# A. Grand Corruption: Definition



- Government-wide corruption
- Takes place at the policy formulation end of politics. It refers not so much to the amount of money involved as to the level at which it occurs - where policies and rules may be unjustly influenced
- The state has “seized” the market
- Sets a policy that diverts money, work or contracts to a small group



# B. Administrative Corruption Types



- Unauthorized Sale of Government Property
- Misuse of Office
- Bribery
- Unauthorized Disclosure







## C. Appearance of Corruption: Definition



- Where no laws are being broken
- Example: “At the airport, you wait in line for hours while some people approach the guard and are let into the gate area immediately”



## C. Appearance of Corruption



- When there is no law-breaking
- Example: “At the airport, you wait in line for hours while some people approach the guard and are let into the gate area immediately”



# C. Appearance of Corruption Types



1. Special Treatment
2. Conflict of Interest
  - Self-Dealing
  - Two Hats
  - Friends or Family
3. Graft
4. Favoritism
  - Nepotism
  - Cronyism
  - Patronage



# D. Criminal Corruption



- Definition: Corruption that is illegal even outside the government sector. Actions that society through history has agreed that is wrong.
  1. Theft
  2. Embezzlement
  3. “Color of Law”



# How is the Public Sector Responsible?



## Individual Corruption

- Bad examples from predecessors
- Bad people
- Bad training - Ignorance
- Opportunity: Low Risk of punishment and High Reward

## Institutional Corruption

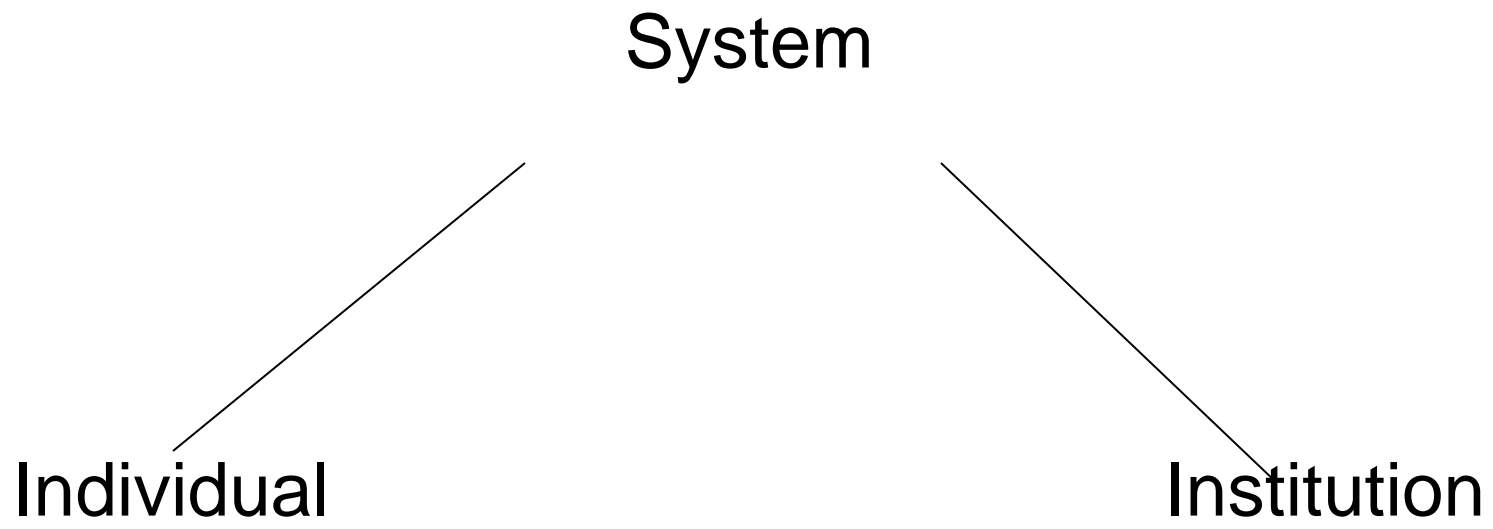
- Poor rules or procedures:
- No rules to prevent corruption
- Complex procedures that breed corruption
- No controls of individuals

## Systemic Corruption

- Poor relationships between groups and individuals
- Poor relationship between Individuals
- The system has faults in reporting, laws or rules
- The system has been corrupted from above



Fixing one leg will not solve anything: These parts must work together





# Who to Talk To?



- Iraq's Anti-Corruption System
  - IG
  - BSA
  - COI
  - NGOs



# Inspectors General Concepts



- CPA #57 establishes the Iraqi Inspector General (IG) System
  - ◆ Each ministry will have an Office of Inspector General
    - IGs are appointed by the Prime Minister, with an opinion on qualifications by COI
    - IGs report to the minister
    - Removal by the Prime Minister only for cause





# Inspectors General Concepts

- Responsibilities
  - ◆ Audit all records and activities of the ministry
  - ◆ Conduct administrative investigations within the ministry
  - ◆ Receive and access complaints of waste, fraud, mismanagement, and abuse of power
  - ◆ Conduct follow-up inquiries to assure adequacy of corrective actions



# Inspectors General Concepts



- Responsibility (continued)
  - ◆ Provide evidence of criminal acts to appropriate authorities
  - ◆ Review legislation, rules, policies, and training programs to ensure they are designed to prevent fraud and abuse
  - ◆ Recommend non-binding remedial actions to the minister
  - ◆ Train the ministry's employees in prevention of fraud, and
  - ◆ Cooperate with the Commission on Public Integrity and the courts



# Inspectors General Concepts



- Additional Activities
  - ◆ Serve as an extension of the minister's eyes, ears, and conscience of the Minister
  - ◆ Independent and objective fact-finder
  - ◆ Opportunity to ensure and improve operational and financial benefits to the ministry
  - ◆ Ability to develop relationships among Inspectors General



# Inspectors General Concepts



- How do Inspectors General carry out this mission?
  - ◆ Conduct audits, investigations, inspections and evaluations of the ministry's programs
  - ◆ Review existing or proposed laws and regulations relating to their ministry's programs and operations
  - ◆ Inform the ministry of program-related problems and the progress of corrective actions



# Inspectors General Concepts



- Powers Established Within the Offices of the Inspector General
  - ◆ Full and unrestricted access to all offices within the ministry
  - ◆ Authority to subpoena witnesses, obtain documents
  - ◆ Access to the head of any governmental entity, when necessary
  - ◆ Request to the ministry employees to report waste, fraud, mismanagement, and illegal acts



# Inspectors General Concepts



- Appearance, credibility, and eliminating conflict of interest
- IG's should be free from undue influence at attempts to control
- An IG not only looks at the ministry's policies and procedures, but whether those policies and procedures ensure efficient delivery of services.



# Capabilities, Roles and Principles



- Activities incompatible With IG Role
  - ◆ IGs should not make management decisions
  - ◆ IGs should not audit their own work
  - ◆ IGs do not perform routine clerical functions



# Capabilities, Roles and Principles



- How to making the Iraqi Inspector General Office of Positive Influence
  - ◆ Developing Efficient Working Relationships
    - Awareness of management's priorities
    - Extensive and open communication
    - Seek agreement on audit approach
    - Obtain management input on recommendations





# Capabilities, Roles and Principles



- In Summary
  - ◆ IG Independence is key to success
  - ◆ Audits/inspections assist management in improving operations
  - ◆ Investigations is an official inquiry into possible misconduct
  - ◆ Positive working relationships with your minister and senior management is essential



# ◆ Developing Standards

- Code of Ethics
  - ◆ Integrity
  - ◆ Independence, Objectivity, Impartiality
  - ◆ Competence
  - ◆ Professional development

# Thank you so much for your attendance

